

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

September 26, 2008

CHANGE NOTICE NO. 5  
TO  
CONTRACT NO. 071B8200077  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (517) 482-3500
<b>Gongwer News Service</b> <b>124 West Allegan Street</b> <b>Lansing, MI 48933</b>  <b>leelp@gongwer.com</b>		<b>Larry Lee</b>
		BUYER/CA (517) 373-8530 <b>Rebecca Nevai</b>
Contract Compliance Inspector: Varies by State agency - See Section 2.015 <b>Electronic News Wire Service – State Government News - Statewide</b>		
CONTRACT PERIOD: From: <b>January 7, 2008</b> To: <b>January 6, 2009</b>		
TERMS	<b>N/A</b>	SHIPMENT
		<b>N/A</b>
F.O.B.	<b>N/A</b>	SHIPPED FROM
		<b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.

NATURE OF CHANGE(S):

Effective September 26, 2008, the attached revised Agency Contract Compliance Inspector List goes into effect (see attachments).

Additionally, funds in the amount of \$949.00 are added to this Contract for new agency (Attorney General) joining the Contract on October 1, 2008.

All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per agency/vendor concurrence and DMB/Purchasing Operations' approval.

REVISED CURRENT AUTHORIZED SPEND LIMIT: \$67,624.06

**GONGWER CONTRACT # 071B8200077**

**DEPARTMENT CONTRACT COMPLIANCE INSPECTOR (CCI) LIST**

*Revised September 23, 2008 - Revised text is highlighted*

The Department of Management and Budget, Purchasing Operations is the official contact allowed to communicate changes in the department CCI contact list to Gongwer through a contract change notice.

The departmental CCI's are allowed to make changes to their department's six base users list independent of DMB, and without a contract change notice.

**AGRICULTURE**

David Bruce  
517-241-2467  
[bruced9@michigan.gov](mailto:bruced9@michigan.gov)

**ATTORNEY GENERAL'S OFFICE**

Gretchen Villarreal  
517-335-0518  
[villarrealg@michigan.gov](mailto:villarrealg@michigan.gov)

**CIVIL RIGHTS**

Carl Dendrinios  
313-456-3799  
[dendrinosc@michigan.gov](mailto:dendrinosc@michigan.gov)

**COMMUNITY HEALTH**

Laura Dotson  
517-241-4686  
[dotsonl1@michigan.gov](mailto:dotsonl1@michigan.gov)

**CORRECTIONS**

Marsha Stansfield  
517-335-2889  
[stansfmk@michigan.gov](mailto:stansfmk@michigan.gov)

**EDUCATION**

Martin Ackley  
517-241-4395  
[ackleym@michigan.gov](mailto:ackleym@michigan.gov)

**ENVIRONMENTAL QUALITY**

Angela Williams  
517-241-7997  
[williamsa9@michigan.gov](mailto:williamsa9@michigan.gov)

**GOVERNOR'S OFFICE**

Tamie Nolan  
517-335-3659  
[nolant@michigan.gov](mailto:nolant@michigan.gov)

HISTORY, ARTS AND LIBRARIES

Kim Laird  
517-373-5866  
[klaird@michigan.gov](mailto:klaird@michigan.gov)

HUMAN SERVICES

Colleen Steinman  
517-373-7394  
[steinmac@michigan.gov](mailto:steinmac@michigan.gov)

INFORMATION TECHNOLOGY

Joel Storchan  
517-241-7369  
[storchanj@michigan.gov](mailto:storchanj@michigan.gov)

LABOR AND ECONOMIC GROWTH

LeAnn Droste  
517-373-3847  
[drostel1@michigan.gov](mailto:drostel1@michigan.gov)

MANAGEMENT AND BUDGET

*Includes the Civil Service Commission*

Patty Russ  
517-373-6741  
[russp@michigan.gov](mailto:russp@michigan.gov)

MILITARY AND VETERANS AFFAIRS

Kimberly Graham  
517-483-5803  
[grahamk@michigan.gov](mailto:grahamk@michigan.gov)

NATURAL RESOURCES

Judy Tkaczyk  
517-373-2425  
[tkaczykj@michigan.gov](mailto:tkaczykj@michigan.gov)

STATE POLICE

Beverly Davids  
517-336-6172  
[davidsb@michigan.gov](mailto:davidsb@michigan.gov)

TRANSPORTATION

Traci Crego  
517-373-3946  
[cregot@michigan.gov](mailto:cregot@michigan.gov)

TREASURY

*Includes the Lottery and the Gaming Commissions*

Caleb Buhs  
517-241-2623  
[buhsc@michigan.gov](mailto:buhsc@michigan.gov)

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

September 17, 2008

CHANGE NOTICE NO. 4  
TO  
CONTRACT NO. 071B8200077  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (517) 482-3500
<b>Gongwer News Service</b> <b>124 West Allegan Street</b> <b>Lansing, MI 48933</b>		<b>Larry Lee</b>
<b>leelp@gongwer.com</b>		
Contract Compliance Inspector: Varies by State agency - See Section 2.015		BUYER/CA (517) 373-8530
<b>Electronic News Wire Service – State Government News - Statewide</b>		<b>Rebecca Nevai</b>
CONTRACT PERIOD:	From: <b>January 7, 2008</b>	To: <b>January 6, 2009</b>
TERMS	<b>N/A</b>	SHIPMENT
		<b>N/A</b>
F.O.B.	<b>N/A</b>	SHIPPED FROM
		<b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.

NATURE OF CHANGE(S):

Effective September 18, 2008, the attached revised Agency Contract Compliance Inspector List goes into effect (see attachments).

Additionally, funds in the amount of \$575.06 are added to this Contract for new agency (HAL) joining the Contract on October 1, 2008.

All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per agency/vendor concurrence and DMB/Purchasing Operations' approval.

REVISED CURRENT AUTHORIZED SPEND LIMIT: \$66,675.06

**GONGWER CONTRACT # 071B8200077**

**DEPARTMENT CONTRACT COMPLIANCE INSPECTOR (CCI) LIST**

*Revised September 11, 2008 - Revised text is highlighted.*

The Department of Management and Budget, Purchasing Operations is the official contact allowed to communicate changes in the department CCI contact list to Gongwer through a contract change notice.

The departmental CCI's are allowed to make changes to their department's six base users list independent of DMB, and without a contract change notice.

**AGRICULTURE**

David Bruce  
517-241-2467  
[bruced9@michigan.gov](mailto:bruced9@michigan.gov)

**CIVIL RIGHTS**

Carl Dendrinis  
313-456-3799  
[dendrinosc@michigan.gov](mailto:dendrinosc@michigan.gov)

**COMMUNITY HEALTH**

Laura Dotson  
517-241-4686  
[dotsonl1@michigan.gov](mailto:dotsonl1@michigan.gov)

**CORRECTIONS**

Marsha Stansfield  
517-335-2889  
[stansfmk@michigan.gov](mailto:stansfmk@michigan.gov)

**EDUCATION**

Martin Ackley  
517-241-4395  
[ackleym@michigan.gov](mailto:ackleym@michigan.gov)

**ENVIRONMENTAL QUALITY**

Angela Williams  
517-241-7997  
[williamsa9@michigan.gov](mailto:williamsa9@michigan.gov)

**GOVERNOR'S OFFICE**

Tamie Nolan  
517-335-3659  
[nolant@michigan.gov](mailto:nolant@michigan.gov)

**HISTORY, ARTS AND LIBRARIES**

Kim Laird  
517-373-5866  
[klaird@michigan.gov](mailto:klaird@michigan.gov)

HUMAN SERVICES

Colleen Steinman  
517-373-7394  
[steinmac@michigan.gov](mailto:steinmac@michigan.gov)  
INFORMATION TECHNOLOGY  
Joel Storchan  
517-241-7369  
[storchanj@michigan.gov](mailto:storchanj@michigan.gov)

LABOR AND ECONOMIC GROWTH

LeAnn Droste  
517-373-3847  
[drostel1@michigan.gov](mailto:drostel1@michigan.gov)

MANAGEMENT AND BUDGET

*Includes the Civil Service Commission*

Patty Russ  
517-373-6741  
[russp@michigan.gov](mailto:russp@michigan.gov)

MILITARY AND VETERANS AFFAIRS

Kimberly Graham  
517-483-5803  
[grahamk@michigan.gov](mailto:grahamk@michigan.gov)

NATURAL RESOURCES

Judy Tkaczyk  
517-373-2425  
[tkaczykj@michigan.gov](mailto:tkaczykj@michigan.gov)

STATE POLICE

Beverly Davids  
517-336-6172  
[davidsb@michigan.gov](mailto:davidsb@michigan.gov)

TRANSPORTATION

Traci Crego  
517-373-3946  
[cregot@michigan.gov](mailto:cregot@michigan.gov)

TREASURY

*Includes the Lottery and the Gaming Commission*

Caleb Buhs  
517-241-2623  
[buhsc@michigan.gov](mailto:buhsc@michigan.gov)

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

June 16, 2008

CHANGE NOTICE NO. 3  
TO  
CONTRACT NO. 071B8200077  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (517) 482-3500
<b>Gongwer News Service</b> <b>124 West Allegan Street</b> <b>Lansing, MI 48933</b>  <b>leelp@gongwer.com</b>		<b>Larry Lee</b>
		BUYER/CA (517) 373-8530 <b>Rebecca Nevai</b>
Contract Compliance Inspector: Varies by State agency - See Section 2.015 <b>Electronic News Wire Service – State Government News - Statewide</b>		
CONTRACT PERIOD: From: <b>January 7, 2008</b> To: <b>January 6, 2009</b>		
TERMS	<b>N/A</b>	SHIPMENT
		<b>N/A</b>
F.O.B.	<b>N/A</b>	SHIPPED FROM
		<b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.

NATURE OF CHANGE(S):

Effective June 18, 2008, the attached revised Agency Contract Compliance Inspector List goes into effect (see attachments). All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per agency request and DMB/Purchasing Operations' approval.

CURRENT AUTHORIZED SPEND LIMIT REMAINS: \$66,100.00

**GONGWER CONTRACT # 071B8200077**

**DEPARTMENT CONTRACT COMPLIANCE INSPECTOR (CCI) LIST**

*Revised June 16, 2008*

The Department of Management and Budget, Purchasing Operations is the official contact allowed to communicate changes in the department CCI contact list to Gongwer through a contract change notice.

The departmental CCI's are allowed to make changes to their department's six base users list independent of DMB, and without a contract change notice.

**AGRICULTURE**

David Bruce  
517-241-2467  
[bruced9@michigan.gov](mailto:bruced9@michigan.gov)

**CIVIL RIGHTS**

Carl Dendrinis  
313-456-3799  
[dendrinosc@michigan.gov](mailto:dendrinosc@michigan.gov)

**COMMUNITY HEALTH**

Laura Dotson  
517-241-4686  
[dotsonl1@michigan.gov](mailto:dotsonl1@michigan.gov)

**CORRECTIONS**

Marsha Stansfield  
517-335-2889  
[stansfmk@michigan.gov](mailto:stansfmk@michigan.gov)

**EDUCATION**

Martin Ackley  
517-241-4395  
[ackleym@michigan.gov](mailto:ackleym@michigan.gov)

**ENVIRONMENTAL QUALITY**

Angela Williams  
517-241-7997  
[williamsa9@michigan.gov](mailto:williamsa9@michigan.gov)

**GOVERNOR'S OFFICE**

Tamie Nolan  
517-335-3659  
[nolant@michigan.gov](mailto:nolant@michigan.gov)

**HUMAN SERVICES**

Colleen Steinman  
517-373-7394  
[steinmac@michigan.gov](mailto:steinmac@michigan.gov)

**INFORMATION TECHNOLOGY**

Joel Storchan  
517-241-7369  
[storchanj@michigan.gov](mailto:storchanj@michigan.gov)



## LABOR AND ECONOMIC GROWTH

LeAnn Droste

517-373-3847

[drostel1@michigan.gov](mailto:drostel1@michigan.gov)

## MANAGEMENT AND BUDGET

*Includes the Civil Service Commission*

Patty Russ

517-373-6741

[russp@michigan.gov](mailto:russp@michigan.gov)

## MILITARY AND VETERANS AFFAIRS

Kimberly Graham

517-483-5803

[grahamk@michigan.gov](mailto:grahamk@michigan.gov)

## NATURAL RESOURCES

Judy Tkaczyk

517-373-2425

[tkaczykj@michigan.gov](mailto:tkaczykj@michigan.gov)

## STATE POLICE

Beverly Davids

517-322-6525

[davidsb@michigan.gov](mailto:davidsb@michigan.gov)

## TRANSPORTATION

Traci Crego

517-373-3946

[cregot@michigan.gov](mailto:cregot@michigan.gov)

## TREASURY

*Includes the Lottery and the Gaming Commission*

Caleb Buhs

517-241-2623

[buhsc@michigan.gov](mailto:buhsc@michigan.gov)

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

June 4, 2008

CHANGE NOTICE NO. 2  
TO  
CONTRACT NO. 071B8200077  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (517) 482-3500
<b>Gongwer News Service</b> <b>124 West Allegan Street</b> <b>Lansing, MI 48933</b>		<b>Larry Lee</b>
<b>leelp@gongwer.com</b>		BUYER/CA (517) 373-8530
		<b>Rebecca Nevai</b>
Contract Compliance Inspector: Varies by State agency - See Section 2.015 <b>Electronic News Wire Service – State Government News - Statewide</b>		
CONTRACT PERIOD: From: <b>January 7, 2008</b> To: <b>January 6, 2009</b>		
TERMS	<b>N/A</b>	SHIPMENT
		<b>N/A</b>
F.O.B.	<b>N/A</b>	SHIPPED FROM
		<b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.

NATURE OF CHANGE(S):

Effective June 16, 2008, the attached revised Agency Contract Compliance Inspector List goes into effect (see attachments). **NOTE:** Vendor email address is changed to leelp@gongwer.com. All other terms, conditions, specifications, and pricing remain unchanged.

AUTHORITY/REASON:

Per agency request, vendor concurrence, and DMB/Purchasing Operations' approval.

CURRENT AUTHORIZED SPEND LIMIT REMAINS: \$66,100.00

**GONGWER CONTRACT # 071B8200077**

**DEPARTMENT CONTRACT COMPLIANCE INSPECTOR (CCI) LIST**

*Revised June 3, 2008*

The Department of Management and Budget, Purchasing Operations is the official contact allowed to communicate changes in the department CCI contact list to Gongwer through a contract change notice.

The departmental CCI's are allowed to make changes to their department's six base users list independent of DMB, and without a contract change notice.

**AGRICULTURE**

David Bruce  
517-241-2467  
[bruced9@michigan.gov](mailto:bruced9@michigan.gov)

**CIVIL RIGHTS**

Carl Dendrinios  
313-456-3799  
[dendrinosc@michigan.gov](mailto:dendrinosc@michigan.gov)

**COMMUNITY HEALTH**

Laura Dotson  
517-241-4686  
[dotsonl1@michigan.gov](mailto:dotsonl1@michigan.gov)

**CORRECTIONS**

Marsha Stansfield  
517-335-2889  
[stansfmk@michigan.gov](mailto:stansfmk@michigan.gov)

**EDUCATION**

Martin Ackley  
517-241-4395  
[ackleym@michigan.gov](mailto:ackleym@michigan.gov)

**ENVIRONMENTAL QUALITY**

Angela Williams  
517-241-7997  
[williamsa9@michigan.gov](mailto:williamsa9@michigan.gov)

**GOVERNOR'S OFFICE**

Tamie Nolan  
517-335-3659  
[nolant@michigan.gov](mailto:nolant@michigan.gov)

**HUMAN SERVICES**

Maureen Sorbet  
517-373-7394  
[sorbetm@michigan.gov](mailto:sorbetm@michigan.gov)

**INFORMATION TECHNOLOGY**

Joel Storchan  
517-241-7369  
[storchanj@michigan.gov](mailto:storchanj@michigan.gov)

**GONGWER CONTRACT # 071B8200077**

**DEPARTMENT CONTRACT COMPLIANCE INSPECTOR (CCI) LIST (continued)**

*Revised June 3, 2008*

**LABOR AND ECONOMIC GROWTH**

LeAnn Droste

517-373-3847

[drostel1@michigan.gov](mailto:drostel1@michigan.gov)

**MANAGEMENT AND BUDGET**

*Includes the Civil Service Commission*

Patty Russ

517-373-6741

[russp@michigan.gov](mailto:russp@michigan.gov)

**MILITARY AND VETERANS AFFAIRS**

Kimberly Graham

517-483-5803

[grahamk@michigan.gov](mailto:grahamk@michigan.gov)

**NATURAL RESOURCES**

Judy Tkaczyk

517-373-2425

[tkaczykj@michigan.gov](mailto:tkaczykj@michigan.gov)

**STATE POLICE**

Beverly Davids

517-322-6525

[davidsb@michigan.gov](mailto:davidsb@michigan.gov)

**TRANSPORTATION**

Traci Crego

517-373-3946

[cregot@michigan.gov](mailto:cregot@michigan.gov)

**TREASURY**

*Includes the Lottery and the Gaming Commission*

Caleb Buhs

517-241-2623

[buhsc@michigan.gov](mailto:buhsc@michigan.gov)

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

January 15, 2008

CHANGE NOTICE NO. 1  
TO  
CONTRACT NO. 071B8200077  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (517) 482-3500
<b>Gongwer News Service</b> <b>124 West Allegan Street</b> <b>Lansing, MI 48933</b>		<b>Larry Lee</b>
<b>larryplee@gongwer.com</b>		BUYER/CA (517) 373-8530
		<b>Rebecca Nevai</b>
Contract Compliance Inspector: Varies by State agency - See Section 2.015 <b>Electronic News Wire Service – State Government News - Statewide</b>		
CONTRACT PERIOD: From: <b>January 7, 2008</b> To: <b>January 6, 2009</b>		
TERMS	<b>N/A</b>	SHIPMENT
		<b>N/A</b>
F.O.B.	<b>N/A</b>	SHIPPED FROM
		<b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

**THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.**

**NATURE OF CHANGE(S):**

1. Effective January 2, 2008, the start date of this Contract is CHANGED to January 7, 2008.
2. The Contract term in Section 2.032 is REVISED to January 7, 2008 through January 6, 2009.
3. The department Contract Compliance Inspectors are listed in the attachment to this Change Notice.

**All other terms, conditions, specifications, and pricing remain unchanged.**

**TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$66,100.00**

**GONGWER CONTRACT # 071B8200077**

**DEPARTMENT CONTRACT COMPLIANCE INSPECTOR (CCI) LIST**

*Revised January 15, 2008*

The Department of Management and Budget, Purchasing Operations is the official contact allowed to communicate changes in the department CCI contact list to Gongwer through a contract change notice.

The departmental CCI's are allowed to make changes to their department's six base users list independent of DMB, and without a contract change notice.

**AGRICULTURE**

David Bruce  
517-241-2467  
[bruced9@michigan.gov](mailto:bruced9@michigan.gov)

**CIVIL RIGHTS**

Carl Dendrinis  
313-456-3799  
[dendrinosc@michigan.gov](mailto:dendrinosc@michigan.gov)

**COMMUNITY HEALTH**

Laura Dotson  
517-241-4686  
[dotsonl1@michigan.gov](mailto:dotsonl1@michigan.gov)

**CORRECTIONS**

Marsha Stansfield  
517-335-2889  
[stansfmk@michigan.gov](mailto:stansfmk@michigan.gov)

**EDUCATION**

Martin Ackley  
517-241-4395  
[ackleym@michigan.gov](mailto:ackleym@michigan.gov)

**ENVIRONMENTAL QUALITY**

Angela Williams  
517-241-7997  
[williamsa9@michigan.gov](mailto:williamsa9@michigan.gov)

**GOVERNOR'S OFFICE**

Tamie Nolan  
517-335-3659  
[nolant@michigan.gov](mailto:nolant@michigan.gov)

**HUMAN SERVICES**

Maureen Sorbet  
517-373-7394  
[sorbetm@michigan.gov](mailto:sorbetm@michigan.gov)

INFORMATION TECHNOLOGY

Joel Storchan  
517-241-7369  
[storchanj@michigan.gov](mailto:storchanj@michigan.gov)

LABOR AND ECONOMIC GROWTH

LeAnn Droste  
517-373-3847  
[drostel1@michigan.gov](mailto:drostel1@michigan.gov)

MANAGEMENT AND BUDGET

*Includes the Civil Service Commission*

Patty Russ  
517-373-6741  
[russp@michigan.gov](mailto:russp@michigan.gov)

MILITARY AND VETERANS AFFAIRS

Kimberly Graham  
517-483-5803  
[grahamk@michigan.gov](mailto:grahamk@michigan.gov)

NATURAL RESOURCES

Judy Tkaczyk  
517-373-2425  
[tkaczykj@michigan.gov](mailto:tkaczykj@michigan.gov)

STATE POLICE

Cindy Homant  
517-336-6172  
[homantc@michigan.gov](mailto:homantc@michigan.gov)

TRANSPORTATION

Traci Crego  
517-373-3946  
[cregot@michigan.gov](mailto:cregot@michigan.gov)

TREASURY

*Includes Lottery and the Gaming Commission*

Caleb Buhs  
517-241-2623  
[buhsc@michigan.gov](mailto:buhsc@michigan.gov)

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

December 27, 2007

NOTICE  
TO  
CONTRACT NO. 071B8200077  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE (517) 482-3500
<b>Gongwer News Service</b> <b>124 West Allegan Street</b> <b>Lansing, MI 48933</b>		<b>Larry Lee</b>
<b>larryplee@gongwer.com</b>		BUYER/CA (517) 373-8530
		<b>Rebecca Nevai</b>
Contract Compliance Inspector: Varies by State agency - See Section 2.015 <b>Electronic News Wire Service – State Government News - Statewide</b>		
CONTRACT PERIOD: From: <b>January 2, 2008</b> To: <b>January 2, 2009</b>		
TERMS	<b>N/A</b>	SHIPMENT
		<b>N/A</b>
F.O.B.	<b>N/A</b>	SHIPPED FROM
		<b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

**THIS CONTRACT IS EXTENDED TO LOCAL UNITS OF GOVERNMENT.**

The terms and conditions of this Contract are those of ITB #071I8200006, this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.

Estimated Contract Value: **\$66,100.00**



STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

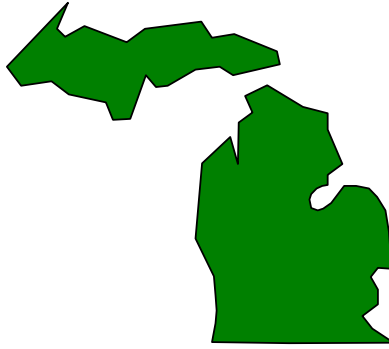
CONTRACT NO. 071B8200077  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR  <b>Gongwer News Service 124 West Allegan Street Lansing, MI 48933</b>  <b>larryplee@gongwer.com</b>		TELEPHONE (517) 482-3500 <b>Larry Lee</b>
		BUYER/CA (517) 373-8530 <b>Rebecca Nevai</b>
Contract Compliance Inspector: Varies by State agency - See Section 2.015 <b>Electronic News Wire Service – State Government News - Statewide</b>		
CONTRACT PERIOD: From: <b>January 2, 2008</b> To: <b>January 2, 2009</b>		
TERMS <b>N/A</b>	SHIPMENT <b>N/A</b>	
F.O.B. <b>N/A</b>	SHIPPED FROM <b>N/A</b>	
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>		
MISCELLANEOUS INFORMATION:  <b>The terms and conditions of this Contract are those of ITB #071I8200006, this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.</b>  <b>Estimated Contract Value: \$66,100.00</b>		

**THIS IS NOT AN ORDER:** This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No. 071I8200006. Orders for delivery may be issued directly by the State Departments through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE VENDOR:	FOR THE STATE:
<b>Gongwer News Service</b>	Signature
Firm Name	<b>Melissa Castro, CPPB, Buyer Manager</b>
Authorized Agent Signature	Name/Title
Authorized Agent (Print or Type)	<b>Services Division, Purchasing Operations</b>
	Division
Date	Date



**STATE OF MICHIGAN  
Department of Management and Budget  
Purchasing Operations**

**Contract # 071B8200077  
Electronic News Wire Service – State Government News**

**Buyer Name: Rebecca Nevai  
Telephone Number: 517-373-8530  
E-Mail Address: [nevair@michigan.gov](mailto:nevair@michigan.gov)**



### Table of Contents

Article 1 – Statement of Work (SOW) .....	6
1.0 Project Identification .....	6
1.001 PROJECT REQUEST .....	6
1.002 BACKGROUND .....	6
1.1 Scope of Work and Deliverables .....	6
1.101 IN SCOPE .....	6
1.103 ENVIRONMENT - RESERVED .....	6
1.104 WORK AND DELIVERABLE .....	6
1.2 Roles and Responsibilities.....	11
1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES .....	11
1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES .....	11
1.203 OTHER ROLES AND RESPONSIBILITIES.....	11
1.3 Project Plan.....	11
1.301 PROJECT PLAN MANAGEMENT - RESERVED .....	11
1.302 REPORTS .....	11
1.4 Project Management.....	12
1.401 ISSUE MANAGEMENT - RESERVED .....	12
1.402 RISK MANAGEMENT - RESERVED .....	12
1.403 CHANGE MANAGEMENT .....	12
1.5 Acceptance .....	12
1.501 CRITERIA .....	12
1.502 FINAL ACCEPTANCE - RESERVED .....	12
1.6 Compensation and Payment .....	12
1.601 COMPENSATION AND PAYMENT .....	12
1.7 Additional Terms and Conditions Specific to this SOW.....	13
1.701 ADDITIONAL TERMS AND CONDITIONS SPECIFIC TO THIS SOW .....	13
Article 1, Attachment A .....	14
Article 1, Attachment B, C, D, E, & F - RESERVED .....	15
Article 2 – General Terms and Conditions.....	16
2.010 Contract Structure and Administration .....	16
2.011 Definitions .....	16
2.012 Attachments and Exhibits .....	16
2.013 Statements of Work.....	16
2.014 Issuing Office .....	17
2.015 Contract Compliance Inspector.....	17
2.020 Contract Objectives/Scope/Background - RESERVED .....	17
2.030 Legal Effect and Term .....	17
2.031 Legal Effect .....	17
2.032 Contract Term .....	17
2.040 Contractor Personnel .....	17
2.041 Contractor Personnel - RESERVED .....	17
2.042 Contractor Identification .....	18
2.043 Cooperation with Third Parties - RESERVED .....	18
2.044 Subcontracting by Contractor .....	18
2.045 Contractor Responsibility for Personnel.....	18
2.050 State Standards - RESERVED.....	18
2.060 Deliverables.....	19
2.061 Ordering .....	19
2.062 Software - RESERVED .....	19
2.063 Hardware - RESERVED.....	19
2.064 Equipment to be New and Prohibited Products - RESERVED .....	19
2.070 Performance .....	19
2.071 Performance, In General.....	19
2.072 Time of Performance - RESERVED .....	19
2.073 Liquidated Damages - RESERVED .....	19
2.074 Bankruptcy .....	19
2.075 Time is of the Essence - RESERVED.....	19



2.080	Delivery and Acceptance of Deliverables - RESERVED.....	19
2.090	Financial .....	19
2.091	Pricing .....	19
2.092	Invoicing and Payment Procedures and Terms.....	20
2.093	State Funding Obligation.....	20
2.094	Holdback - RESERVED .....	20
2.095	Electronic Payment Availability .....	20
2.100	Contract Management.....	21
2.101	Contract Management Responsibility - RESERVED .....	21
2.102	Problem and Contract Management Procedures - RESERVED .....	21
2.104	System Changes – RESERVED.....	21
2.105	Reserved.....	21
2.106	Change Requests - RESERVED .....	21
2.110	Records and Inspections.....	21
2.111	Records and Inspections.....	21
2.112	Errors.....	21
2.120	State Responsibilities - RESERVED .....	21
2.130	Security - RESERVED .....	21
2.140	Reserved .....	21
2.150	Confidentiality .....	21
2.151	Freedom of Information.....	21
2.152	Confidentiality.....	21
2.153	Protection of Confidential Information.....	22
2.154	Exclusions .....	22
2.155	No Implied Rights.....	22
2.156	Remedies .....	22
2.157	Security Breach Notification.....	22
2.158	Survival .....	23
2.159	Destruction of Confidential Information.....	23
2.160	Proprietary Rights.....	23
2.163	Rights in Data.....	23
2.164	Ownership of Materials - RESERVED .....	23
2.165	Standard Software - RESERVED .....	23
2.166	Pre-existing Materials for Custom Software Deliverables - RESERVED .....	23
2.167	General Skills - RESERVED.....	23
2.170	Warranties And Representations .....	23
2.171	Warranties and Representations .....	23
2.175	Standard Warranties - RESERVED .....	24
2.176	Consequences for Breach .....	24
2.180	Insurance - RESERVED.....	25
2.190	Indemnification .....	25
2.191	Indemnification .....	25
2.192	Continuation of Indemnification Obligations .....	25
2.193	Indemnification Procedures .....	26
2.200	Limits of Liability and Excusable Failure .....	26
2.201	Limits of Liability - RESERVED.....	26
2.202	Excusable Failure.....	26
2.203	Disaster Recovery - RESERVED.....	27
2.210	Termination/Cancellation by the State .....	27
2.211	Termination for Cause.....	27
2.212	Termination for Convenience.....	28
2.213	Non-Appropriation .....	28
2.214	Criminal Conviction .....	28
2.216	Rights and Obligations upon Termination.....	28
2.217	Reservation of Rights.....	29
2.218	Contractor Transition Responsibilities - RESERVED .....	29
2.219	State Transition Responsibilities - RESERVED.....	29
2.220	Termination by Contractor.....	29
2.221	Termination by Contractor .....	29



2.230	Stop Work - RESERVED.....	29
2.240	Reserved .....	29
2.250	Dispute Resolution .....	29
2.251	In General .....	29
2.252	Informal Dispute Resolution.....	30
2.253	Injunctive Relief.....	30
2.254	Continued Performance .....	30
2.260	Federal and State Contract Requirements.....	30
2.261	Nondiscrimination.....	30
2.262	Unfair Labor Practices.....	31
2.263	Workplace Safety and Discriminatory Harassment .....	31
2.270	Litigation .....	31
2.271	Disclosure of Litigation - RESERVED .....	31
2.272	Governing Law .....	31
2.273	Compliance with Laws .....	31
2.274	Jurisdiction .....	31
2.280	Environmental Provision - RESERVED .....	31
2.290	General.....	31
2.291	Amendments.....	31
2.292	Assignment .....	31
2.293	Entire Contract; Order of Precedence.....	32
2.294	Headings .....	32
2.295	Relationship of the Parties (Independent Contractor Relationship).....	32
2.296	Notices .....	32
2.297	Media Releases and Contract Distribution.....	33
2.298	Reformation and Severability .....	33
2.299	Consents and Approvals .....	33
2.300	No Waiver of Default.....	33
2.301	Survival .....	33
2.302	Covenant of Good Faith.....	33
2.303	Permits - RESERVED.....	33
2.304	Website Incorporation .....	33
2.305	Taxes.....	33
2.306	Prevailing Wage - RESERVED .....	33
2.307	Call Center Disclosure .....	34
2.308	Future Bidding Preclusion .....	34
2.310	Reserved .....	34
2.320	Extended Purchasing .....	34
2.321	MiDEAL .....	34
2.330	Federal Grant Requirements - RESERVED.....	34
Exhibit A, B, C, & D	- RESERVED.....	35

**Article 1 – Statement of Work (SOW)****1.0 Project Identification****1.001 PROJECT REQUEST**

The purpose of this Contract is to obtain, for, at a minimum, all Executive Branch State Departments and Agencies, electronic subscription services reporting about all State government activity about various activities or issues in the State of Michigan which can effect (directly and indirectly) governmental decisions regarding the continued functioning of required state government programs, including but not limited to: intensive coverage of the legislative, executive and judicial branches of state government, boards and commission meetings, education, natural resources, and environmental quality policy issues.

The Contractor will also extend discount Contract pricing to individual State employees (see Section 2.322) and “MiDEAL” members (see Sections 1B.303, 2.321, and 3.057). These two (2) groups represent a new and undefined potential increase in subscribers on the State Contract.

**1.002 BACKGROUND**

Governor Granholm’s Executive Directive 2007-8, issued January 24, 2007, seeks to “reduce expenditures by departments and agencies within the Executive Branch of state government for periodical subscriptions ... and other subscription services by at least 15% from the level of expenditures during the fiscal year ending September 30, 2006.”

Because of this Executive Directive, and new internal policies, the State is pursuing contractual relationships for various subscription services in order to lower overall costs.

**1.1 Scope of Work and Deliverables****1.101 IN SCOPE**

The purpose of this Contract is to establish a **MANDATORY USE** Contract that will provide an electronic subscription service reporting covering all State government activity about various activities or issues in the State of Michigan which can effect (directly and indirectly) governmental decisions regarding the continued functioning of required state government programs, including but not limited to: intensive coverage of the legislative, executive and judicial branches of state government, boards and commission meetings, education, natural resources, and environmental quality policy issues.

A “Mandatory Use Contract” requires that all applicable State agencies must use only the contract vehicle in place to purchase that service. The delegated authority of Executive Branch state agencies to issue any manner of procurements for this service via any method other than this Contract is rescinded. Note that other state agencies and offices may elect to also use this Contract, but are not required to do so.

Existing pre-paid subscriptions for this service will not be canceled. However, when current Executive Branch subscriptions expire, their renewals for this service may only be completed through this Mandatory Use Contract.

**1.102 OUT OF SCOPE - RESERVED****1.103 ENVIRONMENT - RESERVED****1.104 WORK AND DELIVERABLE**

The Contractor shall provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

The Contractor must provide subscribers the following:



- A. Provide daily weekday coverage (excluding government holidays) via electronic news service that includes, but is not limited to:
1. judicial, executive, and legislative activity
  2. calendars of committee meetings, including executive branch boards and commission meetings
  3. legislation tracking
  4. election results
  5. reporting on public acts
  6. reporting on State Administrative Rules;
  7. Political events calendar, including conferences, fund raisers, and press conferences
  8. Campaign reporting
  9. In addition to regular daily reports, provide key updates of breaking news throughout the day for real time information on government and political developments.
  10. Post daily reports on the Gongwer Website for instant access for subscribers.

The Contractor agrees to provide the above, and will meet or exceed the requirements by providing the following:

**Electronic Bulletin Board:** Daily Gongwer reports are posted on the Gongwer Website for instant access to subscribers. All news and information is now delivered on a same-day basis, with subscriber-only updates posted on the website throughout the day and with special alerts sent by email for breaking news and legislative updates.

**Daily News Reporting:** The *Michigan Report*, published Monday through Friday, as well as on several other days during special legislative sessions or when covering key public policy and political events, offers in-depth coverage of all branches of government and other organizations or groups with public policy and political interests. The coverage embodies public policy, politics, administrative actions pending before government agencies, decisions by state and federal courts including local court decisions having an impact on the state. The budget is the focus of especially detailed coverage, with Gongwer providing information in advance of the official presentation of the executive budget, comprehensive and understandable reporting as the budget moves from presentation through final enactment, and coverage of revenue and other developments that can shape the final budgetary outcome. The reports not only comprehensively cover the events each day in each branch of government, but also provide a preview to how issues are evolving. The *Michigan Report* includes extensive links to hard-to-obtain documents that form the basis of articles (court decisions, opinions, Executive Orders and bill substitutes that are often not otherwise publicly available). The report also includes interactive hyperlinks offering quick access to biographies of public officials, election history, sponsored legislation and contact information for elected officials.

**Senate and House Activity Reports:** Published every day the Legislature is in session, Activity reports provide crucial details in an easy-to-follow format on each day's action on bills and resolutions. Activity reports, prioritized by how close legislation is to becoming law, include interactive links to Gongwer's own bill history reports, which contain links to stories written about each bill. Activity reports include bill descriptions with keywords created by Gongwer to quickly identify the subject of the measure and a brief description in sentence format. These keywords are also used to categorize legislation, giving subscribers easy access to all bills involving a particular subject or subjects.

**Special alerts:** Both the *Michigan Report* and the Senate and House Activity Reports include one-click functionality that allows subscribers to create automated alerts pertaining to legislation of interest. Users can direct this real-time system to send an e-mail whenever there is action, or scheduled action, on any issue of particular interest. Additionally, subscribers are able to upload and edit personal comments pertaining to legislation, and are also able to generate custom committee schedules that highlight bills of interest. All of a subscriber's saved searches are available for review and editing on the personalized "My Gongwer" page on the website. Those functions, provided at no extra cost, allow users to personalize Gongwer's comprehensive services to meet needs that are specific to each agency's legislative goals.

**Schedules:** Gongwer provides subscribers with a comprehensive real-time scheduling service, including detailed legislative committee hearings. Legislative committee schedules include details on committee meeting times, locations and agendas, and again provide one-click access to legislative history reports and interactive links to committee membership information. As an aid in following committee work, Gongwer provides a link to committee records including witness testimony and minutes, and includes information on meetings that are carried by state Senate and House audio and video webcasts.



**Calendars:** Gongwer offers a separate monthly *Agency Calendar* that provides details on meeting schedules for Executive Branch boards and commissions. Links to agendas of many of the boards and commissions are included as they are made public. Subscribers are also able, at any time, to produce a list of all legislative, executive and political events for any date or range of dates in which they have an interest. Information provided in each of the scheduling services is updated promptly upon receipt. While each of these resources is published and distributed to subscribers on a regular schedule, all information is updated online throughout each day and given special attention in an Updated Today category on the Gongwer website.

**Legislation Tracking:** Subscribers have unlimited access to detailed bill tracking reports that show the progress of all measures pending in the Legislature. Tracking reports offer easy access to Gongwer coverage of Senate and House bills, proposed constitutional amendments, initiated laws and resolutions. The tracking reports provide direct links both to Gongwer's own summaries of activity and unique cross-links to news accounts dealing with each bill, as well as to the full text and analysis of those measures. Subscribers may search legislation by bill number, keyword, committee, Compiled Law section and sponsor. The extensive Gongwer database also includes searchable bill records dating back to the 1999-2000 session, proving a rich resource of past legislative activity made more valuable in the term limits era.

**Election Results:** Gongwer provides detailed online election night results in statewide races, legislative contests, judicial elections and ballot issues contests, with updates delivered over the course of the evening. Comprehensive reports with full election results are compiled through a combination of staff-generated data and tallies available from state and local election officials. Gongwer archives offer subscribers access to detailed election results dating back to 2002, while *Michigan Report* archives provide a resource on election stories dating to 1993. Complementing the results are editions of the *Michigan Report* published on election day and subsequent days. A special Gongwer feature also allows users to identify races that are most important to them, creating a personalized election resource.

**Public Acts:** Information on bill signings are included in the *Michigan Report*, and are promptly updated on the Gongwer web site, allowing interested subscribers to receive automated e-mail alerts announcing the governor's action. Public Acts are archived and available by chamber, sponsor and bill number. Vetoed bills are listed separately.

**Administrative Rules:** Gongwer News Service provides a weekly report of administrative rules activity, including actions by the various departments, the State Office of Hearings and Administrative Rules and the Joint Committee on Administrative Rules. As with the legislative reports, the Administrative Rules Report follows action on each rule from the request for rulemaking through its filing with the Department of State. Administrative hearings are included in the report four weeks prior to the hearing date, with any hearings scheduled less than four weeks before the hearing date added to the earliest possible report. JCAR hearings are added to the earliest possible report, with hearings scheduled less than a week in advance being added to the most recent online report as well as being noticed in a supplemental committee schedule in the daily news report.

**Political Events Calendar:** Gongwer publishes a detailed calendar that lists political events and fundraisers, news conferences, conferences and association events related to state government and politics. The political calendar is published bi-weekly and its contents are updated online promptly when information is obtained. Links are provided on many events to allow easy access to additional information, such as agendas and contact information.

**Comprehensive Day Planner:** Gongwer provides subscribers with a daily thumbnail schedule listing all legislative, executive, political and news events for the next day. The feature allows subscribers to display events for any other period, either in the future or in the past, of their choosing.

**Campaign Reporting:** Gongwer's campaign reporting is included in the daily *Michigan Report*, and is set aside in a special archive on Gongwer's website. Coverage includes, but is not limited to party nominating conventions, campaign appearances in all statewide elections for U.S. Senate, Governor, Lieutenant Governor, Secretary of State and Attorney General, Supreme Court and key Court of Appeals races and legislative races. Special attention is provided to those in swing seats most likely to affect the balance of power in the legislature as well as in competitive congressional districts. The reporting includes in-depth profiles of candidates and assessments from local political experts on factors that are likely to affect the election outcomes.





Gongwer provides exhaustive information on campaign finance information provided in required reports to the state, and includes direct links to each candidate's online campaign finance reports in election biographical pages. Biographies are compiled for general election candidates.

- B. Provide subscribers with specialized email notification of issues and pending legislation of specific interest (i.e. by bill number)

The Contractor agrees to provide the above, and will meet or exceed the requirements by providing the following:

Gongwer's website allows subscribers to receive an unlimited number of e-mail alerts that advise about action, or scheduled action, on legislation of interest. Alerts can be set to track action on legislation by bill number, keyword, sponsor, committee, or Compiled Law section. All alerts are unique to each user, allowing subscribers to select the information most important to them. There is no limit on the number of items that may be tagged for special alerts.

- C. Provide searchable archives, going back at least five (5) years.

The Contractor agrees to provide the above, and will exceed the requirements by providing the following:

Gongwer's website offers a search engine that allows access to archives dating to September 1993. Search results are returned by article, rather than a full day's report. The function allows users to find articles of interest in several different ways, and lets subscribers limit searches to a date or range of dates.

- D. The Contractor will receive orders electronically (electronic mail), by telephone, facsimile, and by written order (delivery order or task order is considered "issued" when the Contractor receives the order from an authorized State of Michigan Agency or Department representative orally by telephone, or written order received by facsimile or by electronic commerce method [electronic mail, etc.]
- E. The Contractor will provide the following statewide toll-free phone number for telephone orders and customer service calls.

1-800-482-3502 staffed 8:00 am to 5:30 pm

Lansing area subscribers may also contact Gongwer at 517-482-3500, as a local call.

- F. The Contractor will verify orders with the requestor that has quantities that appear to be abnormal or excessive, such as possible typographical errors.
- G. The Contractor will provide an accessible customer service department / assigned staff person specifically assigned to State of Michigan accounts, who is an experienced sales representative who can timely follow-up on State of Michigan accounts or State inquiries promptly.

Larry Lee, the Vice President of Gongwer News Service, has been assigned to the State of Michigan account for this Contract.

- H. The Contractor shall ensure that all subscription additions or deletions are processed within one (1) business day after receipt of order from an authorized State Department or Agency representative.
- I. The Contractor also offers the following additional features and/or services.

Gongwer offers subscribers a wide variety of tools that complement the reporting services it provides on a daily basis. These services, offered at no additional cost, include:

**Delivery Options:** Gongwer emails daily reports and breaking news updates directly to six subscriber emails per agency, who then forward it to the remainder of department subscribers via List Serv. As an alternative, departments may elect for the reports to be placed on a controlled and secure department Intranet site. Gongwer is also prepared to work with departments to provide direct IP access to the Gongwer web-based site on a range of computer IP addresses or specific IP addresses of users authorized under a potential department-wide subscription.



**Technology:** Gongwer is committed to implement further improvements throughout the Contract. Gongwer's proactive technology improvements include links on bill numbers to give subscribers on-click access to full text of legislation, personalized email alert system with one-click functionality for legislation, notification of stories related to key word interest, and the ability for subscribers to create customized committee schedules or bill status reports containing secure comments.

**Interactive Legislative and Government Directories:** These directories provide easy-to-use biographical and contract information for lawmakers, executive and judicial branch officials. When applicable, directories offer links to district maps and sponsored legislation. Gongwer also produces and regularly updates a pocket directory of state government officials (also available online in a .pdf format). The directory lists names, office locations, and phone numbers of state and federal elected officials, legislative committee membership and contact information, and executive branch department directors.

**Legislative Committee Information:** Gongwer's services offer interactive rosters of legislative committee assignments, updated whenever changes take place.

**Officials Biographies:** Building on directory functions, Gongwer's biographical information includes details on elected officials' professional and political backgrounds, personal information and contact information, including specialized means to contact groups of legislators by party, by committee memberships and party membership within a committee; in the case of legislators, the pages list committee assignments and sponsored legislation. Biographies also include easy access to past election results and applicable campaign finance reports.

**Legislation:** Gongwer's website offers a complete list of introduced bills, updated every session day for the current session, and archived for sessions dating to 1999/2000.

**Public Acts:** In addition to current session Public Acts, Gongwer's web site provides archives of Public Acts dating to the 1997 year with cross indexes to sponsors and by bill number in a static .htm format, and in a database format for years dating from 2002.

**Judicial/Legal Information:** Gongwer's website provides direct links to important legal resources, including opinions by the state Supreme Court and Court of Appeals, oral argument schedules for the Supreme Court, opinions by the U.S. 6<sup>th</sup> Circuit Court of Appeals, sites of the U.S. Eastern District and Western District of Michigan, and opinions of the state Attorney General.

**Email/Mail Contacts:** Gongwer offers subscribers easy access to tools that facilitate communications with legislators and other public officials. Links permit emailing the entire House or Senate membership, one of the caucuses of the House or Senate, membership of an entire committee, or a single member, or the members of one caucus of a committee. The website also permits subscribers to easily generate mailing lists to legislators, using either local district or capitol addresses.

**News Online:** Gongwer's website offers free access to a variety of important Michigan news sources, including top state headlines, major newspapers and television stations and political headlines. The site also offers a custom news link that provides free access to articles that match a series of Michigan government and politics keywords.

**Election Information:** Gongwer's website contains links to many election resources, including Congressional, legislative and judicial district maps, searchable state campaign finance reports, Federal Elections Commission campaign finance reports, lobbyist registration information and political party/political websites.

**Portal to Government Sites:** Gongwer's website has been designed to serve as a portal to important state and federal government information, with links to websites for all states as well as for the White House, U.S. Senate, and U.S. House.

**PDA Accessibility:** Gongwer's website offers a PDA compatible feature that allows on the go access to all major sections of the site.

1.2 Roles and Responsibilities**1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES**

The Contractor's staffing plan to administer this Contract is:

Larry Lee  
Email: [larryplee@gongwer.com](mailto:larryplee@gongwer.com)  
Phone: 517-482-3500

**1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES**

Each individual state agency will designate an employee to coordinate day to day administration of the Contract.

**1.203 OTHER ROLES AND RESPONSIBILITIES**

MiDEAL members and/or State employees will contact the Contractor directly regarding their subscription requests.

1.3 Project Plan**1.301 PROJECT PLAN MANAGEMENT - RESERVED****1.302 REPORTS**

- A. The Contractor shall provide monthly reports to the Contract Administrator (CA) listed in Section 2.014 with the following information:
- A comprehensive list of subscribers, sorted by individual state agencies, a separate category for MiDEAL, and a separate category for State employees.
  - The number of additions and deletions for that month period, sorted by individual state agencies, MiDEAL member, and State employees.

The Contractor may submit the reports in a non-pdf electronic format, such as Excel, via email to the CA. The CA will be responsible to disseminate the information to the state agencies, as needed.

The State and the Contractor will agree on the specific report format within 14 days of Contract award

Monthly reports are a new requirement, now necessary for DMB Purchasing Operations to comply with the Governor's Executive Directives and new internal policies related to spending, and periodicals.

The Contractor agrees to provide the above, and will exceed the requirements by providing the following:

Gongwer will meeting the Contract reporting requirements, and is prepared to work with the Contract Administrator to make the process as informative and reliable as possible. The reports can be generated through Excel or other common programs and submitted electronically in formats acceptable to the State. The reports will detail by department the names of individual recipients, identifying additions and deletions that may have occurred each month, or alternatively provide the number of recipients in a department if a department has used an option to internally distribute on a secure intranet site. The reports will be submitted within five (5) business days of the close of each month. The Contract Administrator will be sent 30 days in advance of each month the forthcoming charges, detailed by department, and number of users governed by any tiered pricing.

Upon contract award, Gongwer will launch a customized, online State of Michigan account management page that will allow agency contacts to make changes to distribution lists. This system will notify Gongwer of changes which will then be reflected as additional charges or refunds for the next billing period.

- B. Reports shall be provided at no cost to the State.
- C. Failure to submit reports on a timely basis may be considered a breach of contract, and may result in the cancellation of the contract and all related subscriptions.

1.4 Project Management**1.401 ISSUE MANAGEMENT - RESERVED****1.402 RISK MANAGEMENT - RESERVED****1.403 CHANGE MANAGEMENT**

If a proposed contract change is approved by the Contract Compliance Inspector, the Contract Compliance Inspector will submit a request for change to the Department of Management and Budget, Purchasing Operations Buyer, who will make recommendations to the Director of Purchasing Operations regarding ultimate approval/disapproval of change request. If the DMB Purchasing Operations Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the Purchasing Operations Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Vendors who provide products or services prior to the issuance of a Contract Change Notice by the DMB Purchasing Operations, risk non-payment for the out-of-scope/pricing products and/or services.**

For the purposes of this RFP, subscription additions or deletions will not be considered a contract change, requiring a change notice. Subscriptions additions and deletions will be requested via state agency purchase order, or other communications from MiDEAL members or individual State employees.

1.5 Acceptance**1.501 CRITERIA**

The following criteria will be used by the State to determine Acceptance of the Services and/or Deliverables provided under this SOW.

The State will be billed on a monthly basis. Invoices will be approved for payment after consistent service for each related subscriber has been received, and requested subscription cancellations have been confirmed.

**1.502 FINAL ACCEPTANCE - RESERVED**1.6 Compensation and Payment**1.601 COMPENSATION AND PAYMENT**

Contractor shall require no minimum order. Contractor agrees that the State is not obligated to purchase this service in any amount and that payment will be issued only for items ordered from individual State departments or agencies.

- A. Any Tier pricing offered by the Contractor shall combine the usage of all state agencies utilizing the contract, viewing the State as one entity. Any "base" fee within tiered pricing shall apply only once to the State, and cannot be applied to each state agency. Any base fee for State agencies shall be billed to the Department of Management and Budget (DMB), and DMB will be responsible to pro-rate any base fee back to the using state agencies.
- B. The Contractor shall include their price proposal in Attachment A.
- C. This Contract includes a payment method for a service that is a rate-per-unit of service (per subscription) based reimbursement method.
- D. Prices shall be fixed and firm for the base contract period, listed in Section 2.032.
- E. The Contract payment terms are Net 45 days.
- F. The Contractor will bill on a monthly basis to the State and MiDEAL members. State employees will prepay their annual subscription rate.
  - 1. Invoices for all state agencies will be submitted to the Department of Management and Budget.



- a. State invoices shall be submitted directly to:  
Kristi Thompson  
Professional Services Division Director  
DMB – Purchasing Operations  
530 W. Allegan St.  
Lansing, MI 48909  
Email: [thompsonK1@michigan.gov](mailto:thompsonK1@michigan.gov)
  - b. State invoices must specify fees by state agency, clearly listing the number of subscribers per state agency.
  - c. Invoices may be submitted via mail or email.
2. Invoices for MiDEAL members shall be submitted directly to the MiDEAL Member. Invoice specifics and submittal method may vary by member, and will be mutually agreed by the Contractor and individual MiDEAL member.
  3. Invoices for individual State employees shall be submitted directly to the individual employee. State employee subscribers will pre-pay their annual rate prior to service.
- G. The Contractor will process new subscriptions added and billed, and canceled subscriptions refunded in the following manner:
- Gongwer will work with the State to develop an efficient, streamlined process to notify the State on changes in subscription levels and individual subscribers. Gongwer will provide refunds and invoices prorated for subscription cancellations and additions.

1.7 Additional Terms and Conditions Specific to this SOW

**1.701 ADDITIONAL TERMS AND CONDITIONS SPECIFIC TO THIS SOW**

**PERIODICAL DISCLAIMER:**

**THE STATE RECOGNIZES POSSIBLE CONTRACTOR CONCERNS REGARDING THE FIRST AMENDMENT, PROTECTION OF SOURCES, AND MAINTAINING INDEPENDENCE OF REPORTING. ARTICLE 2 TERMS AND CONDITIONS RELATE SOLELY TO THE CONTRACTOR'S ADMINISTRATIVE STAFF, AND THEIR SUB-CONTRACTORS, AND DO NOT GOVERN THEIR REPORTERS AND / OR NEWS SOURCES. THE STATE UNDERSTANDS THAT THIS CONTRACT IN NO WAY ABRIDGES THE EDITORIAL AND REPORTORIAL INDEPENDENCE OF THE CONTRACTOR.**



**Article 1, Attachment A**  
Pricing

1. The Contractor shall provide subscription pricing **for State subscribers:**

**Base Rate** of \$36,100.00, includes six (6) users for 20 agencies.

**Tier Price:** Electronic distribution and username/password validation to additional designated persons in departments and agencies is provided at a rate of \$90 each per year for the first 200; \$60 each per year for the next 300; and \$30 each per year for any additional designated users.

Gongwer will offer an Expanded Use Option that would provide web access for 15 users per agency, and unlimited e-mail distribution of the Michigan Report and breaking news alerts.

**Unlimited Subscriber Price:** A department may post electronically delivered reports on a secure intranet for an additional annual price of \$1,500 for unlimited department users. There will be no debits or credits for subscription additions or deletions under this option. However, the department may elect to switch back to the Tier Price

Distribution of the Unlimited Subscription may vary by department or agency, from the following two options:

1. The State department / agency will work with the Contractor to establish a secure intranet site for all department / agency employees to access the Electronic News Wire. It will not be emailed to subscribers.
2. The State department / agency will designate six (6) users who will be emailed the Electronic Newswire. The department / agency will make internal arrangements to maintain a departmental subscriber List Serv, and will be responsible to forward the daily Electronic News Wire, as well as any breaking news announcements.

Gongwer will provide the state full credit for Tier payments under the Contract leading toward the Unlimited option.

Gongwer's pricing applies both to Executive Branch State Agencies governed by the Mandatory Use Contract, as well as any State departments and agencies not governed by the Mandatory Use Contract.

2. The Contractor's subscription pricing **for MiDEAL members:**

Gongwer is offering MiDEAL members the discounted rate reflected in the contract unit price, at the State's current Tier or unlimited subscriber pricing.

3. The Contractor's subscription pricing **for State employees**, paying for their own subscriptions:

Gongwer will process subscriptions at a rate of \$120 per year for individual state employees. Subscriptions begin upon full payment of the annual rate. For the convenience of individual employee subscribers, Gongwer will accept payment via check or credit card.



**Article 1, Attachment B, C, D, E, & F - RESERVED**





## **Article 2 – General Terms and Conditions**

### **2.010 Contract Structure and Administration**

#### **2.011 Definitions**

Capitalized terms used in this Contract (including its Exhibits) shall have the meanings given below, unless the context requires otherwise:

- (a) "Days" means calendar days unless otherwise specified.
- (b) "24x7x365" means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
- (c) "Additional Service" means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration. "Additional Service" does not include New Work.
- (d) "Audit Period" has the meaning given in **Section 2.111**.
- (e) "Business Day," whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
- (f) "Incident" means any interruption in Services.
- (g) "Business Critical" means any function identified in any Statement of Work as Business Critical.
- (h) "Deliverable" means physical goods and/or commodities as required or identified by a Statement of Work
- (i) "New Work" means any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration. "New Work" does not include Additional Service.
- (j) "Services" means any function performed for the benefit of the State.
- (k) "State Location" means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
- (l) "Subcontractor" means a company Contractor delegates performance of a portion of the Services to, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.
- (m) "Work in Process" means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.

#### **2.012 Attachments and Exhibits**

All Attachments and/or Exhibits attached to any, and all Statement(s) of Work, attached to, or referencing this Contract, are incorporated in their entirety into, and form part of, this Contract.

#### **2.013 Statements of Work**

- (a) The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract, or an amendment to this Contract (see 2.106). Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.
- (b) Unless otherwise agreed by the parties, each Statement of Work (as defined in Article 1) will include, or incorporate by reference to the appropriate Contract Article 1 Attachment containing, the following information:
  - a description of the Services to be performed by Contractor under the Statement of Work;
  - a project schedule (including the commencement and completion dates for all tasks, subtasks (for all projects of sufficient duration and complexity to warrant sub task breakdown), and Deliverables;
  - a list of the Deliverables to be provided, if any, including any particular specifications and acceptance criteria for such Deliverables, and the dates on which the Deliverables are scheduled to be completed and delivered to the State;
  - all Deliverable price schedules and other charges associated with the Statement of Work, the overall fixed price for such Statement of Work and any other appropriate pricing and payment terms;
  - a specification of Contractor's and the State's respective performance responsibilities with respect to the performance or completion of all tasks, subtasks and Deliverables;
  - a listing of any Key Personnel of Contractor and/or its Subcontractors for that Statement of Work and any future Statements of Work;
  - any other information or provisions the parties agree to include.
- (c) Reserved.
- (d) The initial Statements of Work, as of the Effective Date, are attached to this Contract.



**2.014 Issuing Office**

This Contract is issued by the Department of Management and Budget, Purchasing Operations ("PO") and all state agencies (collectively, including all other relevant State of Michigan departments and agencies, the "State"). PO is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. **PO is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contractor Administrator within Purchasing Operations for this Contract is:

Rebecca Nevai  
Purchasing Operations  
Department of Management and Budget  
Mason Bldg, 2nd Floor  
PO Box 30026  
Lansing, MI 48909  
Email nevair@michigan.gov  
Phone 517-373-8530

**2.015 Contract Compliance Inspector**

Upon receipt at PO of the properly executed Contract, it is anticipated that the Director of DMB Purchasing Operations, in consultation with (insert the end using agency), will direct that the person named below, or any other person so designated, be authorized to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of this Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of such Contract as that authority is retained by the Purchasing Operations.** The Contract Compliance Inspector for this Contract: are as designated in Section 1.202.

**2.016 Project Manager - RESERVED**

2.020 Contract Objectives/Scope/Background - RESERVED

2.030 Legal Effect and Term

**2.031 Legal Effect**

Except as otherwise agreed in writing by the parties, the State assumes no liability for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against the Contract has been issued.

**2.032 Contract Term**

This Contract is for a period of one (1) year commencing on January 7, 2008 through January 6, 2009. All outstanding Purchase Orders shall also expire upon the termination (cancellation for any of the reasons listed in 2.210) of the Contract, unless otherwise extended pursuant to the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, will remain in effect for the balance of the fiscal year for which they were issued.

**2.033 Renewal(s)**

This Contract may be renewed in writing by mutual agreement of the parties not less than 30 days before its expiration. The Contract may be renewed for up to four (4) additional one (1) year periods. Successful completion of negotiations surrounding the terms of the extension, will be a pre-requisite for the exercise of any option year.

2.040 Contractor Personnel

**2.041 Contractor Personnel - RESERVED**

**2.042 Contractor Identification**

Contractor employees shall be clearly identifiable while on State property by wearing a State-issued badge, as required. Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

**2.043 Cooperation with Third Parties - RESERVED****2.044 Subcontracting by Contractor**

(a) Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State will consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

(b) Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Management and Budget, Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time agreed upon by the parties.

(c) In any subcontracts entered into by Contractor for the performance of the Services, Contractor shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor will be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State will not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. Attached as **Exhibit A** is a list of the Subcontractors, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable subcontract.

(d) Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.040, 2.110, 2.150, 2.160, 2.171(c), 2.172(b), 2.260, 2.297** in all of its agreements with any Subcontractors.

(e) The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.

**2.045 Contractor Responsibility for Personnel**

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services.

2.050 State Standards - RESERVED

2.060 Deliverables**2.061 Ordering**

(a) Any Services/Deliverables to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee. All orders are subject to the terms and conditions of this Contract. In the event of conflict between an order and this Contract, the Contract shall take precedence as stated in **Section 2.293**. In no event shall any additional terms and conditions contained on a Purchase Order/Blanket Purchase Order be applicable, unless specifically contained in that Purchase Order/Blanket Purchase Order's accompanying Statement of Work.

**2.062 Software - RESERVED****2.063 Hardware - RESERVED****2.064 Equipment to be New and Prohibited Products - RESERVED**2.070 Performance**2.071 Performance, In General**

The State engages Contractor to execute the Contract and perform the Services/provide the Deliverables, and Contractor undertakes to execute and complete the Contract in its entirety in accordance with the terms and conditions of this Contract and with the participation of State representatives as specified in this Contract. For the purposes of this Contract, participation of State representatives is limited to subscription services, and specifically excludes news stories.

**2.072 Time of Performance - RESERVED****2.073 Liquidated Damages - RESERVED****2.074 Bankruptcy**

If Contractor shall file for protection under the bankruptcy laws, or if an involuntary petition shall be filed against Contractor and not removed within 30 days, or if the Contractor becomes insolvent, be adjudicated bankrupt, or if it should make a general assignment for the benefit of creditors, or if a receiver shall be appointed due to its insolvency, and Contractor and/or its affiliates are unable to provide reasonable assurances that Contractor and/or its affiliates can deliver the services provided herein, the State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part.

**2.075 Time is of the Essence - RESERVED****2.076 Service Level Agreements (SLAs) – RESERVED**2.080 Delivery and Acceptance of Deliverables - RESERVED2.090 Financial**2.091 Pricing****(a) Fixed Prices for Services/Deliverables**

Each Statement of Work/PO issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts.

**(b) Adjustments for Reductions in Scope of Services/Deliverables**

If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope.



(c) Services/Deliverables Covered

For all Services/Deliverables to be provided by Contractor (and its Subcontractors, if any) under this Contract, the State shall not be obligated to pay any amounts in addition to the charges specified in this Contract.

(d) Labor Rates - RESERVED

**2.092 Invoicing and Payment Procedures and Terms**

(a) Invoicing and Payment – In General

(i) RESERVED

(ii) Each Contractor invoice will show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 2.094**.

(iii) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within forty-five (45) days after receipt, provided the State determines that the invoice was properly rendered.

(iv) Late fees for overdue State payments are limited to the amounts specified in 1984 Public Act 279, MCL 17.54 and 17.55.

(b) Taxes (See Section 2.305 and Article 3, Section 3.022-3.024 for additional )

The State is exempt from Federal Excise Tax, State and Local Sales Taxes, and Use Tax with respect to the sale to and use by it of tangible personal property. Such taxes shall not be included in Contract prices as long as the State maintains such exemptions. Copies of all tax exemption certificates shall be supplied to Contractor, if requested.

(c) Out-of-Pocket Expenses - RESERVED

(d) Pro-ration

To the extent there are any Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.

(e) Antitrust Assignment

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

(f) Final Payment

The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor will it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

**2.093 State Funding Obligation**

The State's obligation under this Contract is payable only and solely from funds appropriated for the purpose of this Contract. Contractor acknowledges and agrees that all funds for payments after the end of the current fiscal year are subject to the availability of a legislative appropriation for the purpose of this Contract. Events of non-appropriation are addressed further in **Section 2.210** of this Contract.

**2.094 Holdback - RESERVED**

**2.095 Electronic Payment Availability**

Public Act 533 of 2004 requires that payments under this contract be processed by electronic funds transfer (EFT). Contractor is required to register to receive payments by EFT at the Contract & Payment Express website ([www.cpexpress.state.mi.us](http://www.cpexpress.state.mi.us)).

2.100 Contract Management**2.101 Contract Management Responsibility - RESERVED****2.102 Problem and Contract Management Procedures - RESERVED****2.103 Reports and Meetings - RESERVED****2.104 System Changes – RESERVED****2.105 Reserved****2.106 Change Requests - RESERVED****2.107 Management Tools - RESERVED**2.110 Records and Inspections**2.111 Records and Inspections**

The Contractor agrees that the State may, upon 48-hour notice, perform an audit at Contractor's location(s) to determine if the Contractor is complying with the requirements of the Contract. The Contractor agrees to cooperate with the State during the audit and produce all records and documentation that verifies compliance with the Contract requirements.

**2.112 Errors**

(a) If the audit demonstrates any errors in the statements provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.

(b) In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than ten percent (10%), then the Contractor shall pay all of the reasonable costs of the audit.

2.120 State Responsibilities - RESERVED2.130 Security - RESERVED2.140 Reserved2.150 Confidentiality**2.151 Freedom of Information**

All information in any proposal submitted to the State by Contractor and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

**2.152 Confidentiality**

Contractor and the State each acknowledge that the other possesses and will continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Contractor shall mean all non-public proprietary information of Contractor (other than Confidential Information of the State as defined below) which is marked confidential, restricted, proprietary or with a similar designation.



"Confidential Information" of the State shall mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State pursuant to applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State pursuant to its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. In the case of information of either Contractor or the State "Confidential Information" shall exclude any information (including this Contract) that is publicly available pursuant to the Michigan FOIA.

#### **2.153 Protection of Confidential Information**

The State and Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State will (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access in order to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) such disclosure is necessary or otherwise naturally occurs in connection with work that is within such Subcontractor's scope of responsibility, and (C) Contractor obligates the Subcontractor in a written Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to Contractor or Subcontractor, as the case may be, to protect such Confidential Information from unauthorized use or disclosure.

#### **2.154 Exclusions**

Notwithstanding the foregoing, the provisions of this Section will not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose such information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of this Section will not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose such Confidential Information, provided that the receiving party (i) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of such disclosure as reasonably requested by the furnishing party.

#### **2.155 No Implied Rights**

Nothing contained in this Section shall be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

#### **2.156 Remedies**

Each party acknowledges that, if it breaches (or attempts or threatens to breach) its obligations under this Section, the other party may be irreparably harmed. Accordingly, if a court of competent jurisdiction should find that a party has breached (or attempted or threatened to breach) any such obligations, the non-breaching party shall be entitled to seek an injunction preventing such breach (or attempted or threatened breach).

#### **2.157 Security Breach Notification**

In the event of a breach of this Section, Contractor shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor shall report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within ten (10) days of becoming aware of such use or disclosure or such shorter time period as is reasonable under the circumstances.



**2.158 Survival**

The parties' respective obligations under this Section shall survive the termination or expiration of this Contract for any reason.

**2.159 Destruction of Confidential Information**

Promptly upon termination or cancellation of the Contract for any reason, Contractor shall certify to the State that Contractor has destroyed all State Confidential Information.

2.160 Proprietary Rights**2.161 License - RESERVED****2.162 Source Code Escrow – RESERVED****2.163 Rights in Data**

For the purposes of this contract, newsletter content is specifically excluded as State data. State subscriber information and statistics are considered State data.

(a) The State will be and remain the owner of all data made available by the State to Contractor or its agents, Subcontractors or representatives pursuant to the Contract. Contractor will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of Contractor, nor will any employee of Contractor other than those on a strictly need to know basis have access to the State's data. Contractor will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, Contractor shall only use personally identifiable information as strictly necessary to provide the Services and shall disclose such information only to its employees who have a strict need to know such information. Contractor shall comply at all times with all laws and regulations applicable to such personally identifiable information.

(b) The State is and shall remain the owner of all State-specific data pursuant to the Contract. The State may use the data provided by the Contractor for any purpose. The State will not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State shall only use personally identifiable information as strictly necessary to utilize the Services and shall disclose such information only to its employees who have a strict need to know such information, except as provided by law. The State shall comply at all times with all laws and regulations applicable to such personally identifiable information. Other material developed and provided to the State shall remain the State's sole and exclusive property.

**2.164 Ownership of Materials - RESERVED****2.165 Standard Software - RESERVED****2.166 Pre-existing Materials for Custom Software Deliverables - RESERVED****2.167 General Skills - RESERVED**2.170 Warranties And Representations**2.171 Warranties and Representations**

The Contractor represents and warrants:

(a) It is capable in all respects of fulfilling and shall fulfill all of its obligations under this Contract. The performance of all obligations under this Contract shall be provided in a timely, professional, and workman-like manner and shall meet the performance and operational standards required under this Contract.



(b) **RESERVED**

(c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under this Contract, nor their use by the State, will infringe the patent, copyright, trade secret, or other proprietary rights of any third party.

(d) **RESERVED**

(e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.

(f) It is qualified and registered to transact business in all locations where required.

(g) **RESERVED**

(h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or shall accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor shall not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or such Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by such financial statements, reports, other information. Since the respective dates or periods covered by such financial statements, reports, or other information, there have been no material adverse change in the business, properties, financial condition, or results of operations of Contractor.

(l) All written information furnished to the State by or behalf of Contractor in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make such information not misleading.

(m) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or such department within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of such contract.

**2.172 Software Warranties - RESERVED**

**2.173 Equipment Warranty - RESERVED**

**2.174 Physical Media Warranty - RESERVED**

**2.175 Standard Warranties - RESERVED**

**2.176 Consequences for Breach**

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in this section, such breach may be considered as a default in the performance of a material obligation of this Contract.



2.180 Insurance - RESERVED2.190 Indemnification**2.191 Indemnification****(a) General Indemnification**

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

**(b) Code Indemnification**

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.

**(c) Employee Indemnification**

In any and all claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

**(d) Patent/Copyright Infringement Indemnification**

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Notwithstanding the foregoing, the Contractor shall have no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; or (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

**2.192 Continuation of Indemnification Obligations**

The Contractor's duty to indemnify pursuant to this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred prior to expiration or cancellation.



## 2.193 Indemnification Procedures

The procedures set forth below shall apply to all indemnity obligations under this Contract.

(a) After receipt by the State of notice of the action or proceeding involving a claim in respect of which it will seek indemnification, the State shall promptly notify Contractor of such claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify Contractor shall relieve Contractor of its indemnification obligations except to the extent that Contractor can demonstrate damages attributable to such failure. Within ten (10) days following receipt of written notice from the State relating to any claim, Contractor shall notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and prior to the State receiving Contractor's Notice of Election, the State shall be entitled to defend against the claim, at Contractor's expense, and Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during such period.

(b) If Contractor delivers a Notice of Election relating to any claim: (i) the State shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim and to monitor and advise the State about the status and progress of the defense; (ii) Contractor shall, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor shall promptly reimburse the State for all such reasonable costs and expenses.

### 2.200 Limits of Liability and Excusable Failure

#### **2.201 Limits of Liability - RESERVED**

#### **2.202 Excusable Failure**

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent such default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its Subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.

In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay and provided further that such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.



If any of the above-enumerated circumstances substantially prevent, hinder, or delay Contractor's performance of the Services/provision of Deliverables for more than ten (10) Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State shall not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance shall continue; (b) the State may terminate any portion of the Contract so affected and the charges payable there under shall be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to Contractor, except to the extent that the State shall pay for Services/Deliverables provided through the date of termination.

Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

## **2.203 Disaster Recovery - RESERVED**

### 2.210 Termination/Cancellation by the State

The State may terminate this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

#### **2.211 Termination for Cause**

(a) In the event that Contractor breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA as defined in **Section 2.076**), which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State (such time period not to be less than 30 days), or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of termination to Contractor, terminate this Contract in whole or in part, for cause, as of the date specified in the notice of termination.

(b) In the event that this Contract is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Contractor shall be responsible for all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs shall not be considered by the parties to be consequential, indirect or incidental damages, and shall not be excluded by any other terms otherwise included in this Contract, provided such costs are not in excess of 50% more than the prices for such Service/Deliverables provided under this Contract.

(c) In the event the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State shall pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

(d) In the event this Contract is terminated for cause pursuant to this Section, and it is determined, for any reason, that Contractor was not in breach of contract pursuant to the provisions of this section, that termination for cause shall be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in this Contract for a termination for convenience.

**2.212 Termination for Convenience**

The State may terminate this Contract for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least 30 days prior to the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

**2.213 Non-Appropriation**

(a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State shall have the right to terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State shall give Contractor at least 30 days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than 30 days before the funding cutoff).

(b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise made available, the State may, upon 30 days written notice to Contractor, reduce the level of the Services or the change the production of Deliverables in such manner and for such periods of time as the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of such reduction.

(c) In the event the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor pursuant to this Section, the State shall pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. For the avoidance of doubt, this Section will not preclude Contractor from reducing or stopping Services/Deliverables and/or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

**2.214 Criminal Conviction**

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense incident to the application for, or performance of, a State, public or private Contract or subcontract; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Contractor's business integrity.

**2.215 Approvals Rescinded**

The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.

**2.216 Rights and Obligations upon Termination**

(a) If this Contract is terminated by the State for any reason, Contractor shall (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) in the event that the Contractor maintains title in Deliverables that is intended to be transferred to the State at the termination of the Contract, Contractor will transfer title in, and deliver to, the State, unless otherwise directed,



all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which shall be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of such items included compensation to Contractor for the provision of warranty services in respect of such materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.

(b) In the event the State terminates this Contract prior to its expiration for its own convenience, the State shall pay Contractor for all charges due for Services provided prior to the date of termination and, if applicable, as a separate item of payment pursuant to this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and Contractor shall be entitled to receive equitable fair compensation for such Deliverables. Regardless of the basis for the termination, the State shall not be obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

(c) Upon a good faith termination, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

#### **2.217 Reservation of Rights**

Any termination of this Contract or any Statement of Work issued under it by a party shall be with full reservation of, and without prejudice to, any rights or remedies otherwise available to such party with respect to any claims arising prior to or as a result of such termination.

#### **2.218 Contractor Transition Responsibilities - RESERVED**

#### **2.219 State Transition Responsibilities - RESERVED**

##### 2.220 Termination by Contractor

#### **2.221 Termination by Contractor**

If the State materially breaches its obligation to pay Contractor undisputed amounts due and owing under this Contract in accordance with **Section 2.090**, or if the State breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for Contractor to perform the Services, and if the State does not cure the breach within the time period specified in a written notice of breach provided to the State by Contractor (such time period not to be less than 30 days), then Contractor may terminate this Contract, in whole or in part based on Statement of Work for cause, as of the date specified in the notice of termination; provided, however, that Contractor must discharge its obligations under **Section 2.250** before any such termination.

##### 2.230 Stop Work - RESERVED

##### 2.240 Reserved

##### 2.250 Dispute Resolution

#### **2.251 In General**

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract or any Statement of Work shall be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under the Contract, or the time for Contractor's performance, Contractor shall submit a letter executed by Contractor's Contract Administrator or his designee certifying that (a) the claim is made in good faith,





(b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the supporting data provided with such an affidavit are current and complete to Contractor's best knowledge and belief.

## 2.252 Informal Dispute Resolution

(a) If the parties are unable to resolve any operational disputes, the parties shall meet with the Director of Purchasing Operations, DMB, or designee, for the purpose of attempting to resolve such dispute without the need for formal legal proceedings, as follows:

- (i) The representatives of Contractor and the State shall meet as often as the parties reasonably deem necessary in order to gather and furnish to each other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.
- (ii) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract will be honored in order that each of the parties may be fully advised of the other's position.
- (iii) The specific format for the discussions will be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.
- (iv) Following the completion of this process within sixty (60) calendar days, the Director of Purchasing Operations, DMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within 30 calendar days. The opinion regarding the dispute shall be considered the State's final action and the exhaustion of administrative remedies.

(b) This **Section 2.250** will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or pursuant to **Section 2.253**.

(c) The State will not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work pursuant to the Contract.

## 2.253 Injunctive Relief

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.252** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is such that the damages to such party resulting from the breach will be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

## 2.254 Continued Performance

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment shall not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.210** and **2.220**, as the case may be.

### 2.260 Federal and State Contract Requirements

## 2.261 Nondiscrimination

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Contract.

**2.262 Unfair Labor Practices**

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

**2.263 Workplace Safety and Discriminatory Harassment**

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

2.270 *Litigation***2.271 Disclosure of Litigation - RESERVED****2.272 Governing Law**

The Contract shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

**2.273 Compliance with Laws**

Contractor shall comply with all applicable state, federal, and local laws and ordinances ("Applicable Laws") in providing the Services/Deliverables.

**2.274 Jurisdiction**

Any dispute arising from the Contract shall be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

2.280 *Environmental Provision - RESERVED*2.290 *General***2.291 Amendments**

The Contract may not be modified, amended, extended, or augmented, except by a writing executed by the parties.

**2.292 Assignment**

(a) Neither party shall have the right to assign the Contract, or to assign or delegate any of its duties or obligations under the Contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as such affiliate is adequately capitalized and can provide adequate assurances that such affiliate can perform the Contract. Any purported assignment in violation of this Section shall be null and void. It is the policy of the State of Michigan to withhold consent from proposed assignments, subcontracts, or novations when such transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.



(b) Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. In the event of any such permitted assignment, Contractor shall not be relieved of its responsibility to perform any duty imposed upon it herein, and the requirement under the Contract that all payments shall be made to one entity shall continue.

#### **2.293 Entire Contract; Order of Precedence**

(a) The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to such subject matter and as additional terms and conditions on the purchase order shall apply as limited by **Section 2.061**.

(b) In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work will take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of **Sections 2.110 through 2.220** of the Contract, which may be modified or amended only by a formal Contract amendment.

#### **2.294 Headings**

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of the Contract.

#### **2.295 Relationship of the Parties (Independent Contractor Relationship)**

The relationship between the State and Contractor is that of client and independent Contractor. No agent, employee, or servant of Contractor or any of its Subcontractors shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractors during the performance of the Contract.

#### **2.296 Notices**

(a) Any notice given to a party under the Contract shall be deemed effective, if addressed to such party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

##### **State:**

State of Michigan  
Purchasing Operations  
Attention: Rebecca Nevai  
PO Box 30026  
530 West Allegan  
Lansing, Michigan 48909

##### **Contractor:**

Larry Lee, Vice President  
Gongwer News Service  
124 W. Allegan St., Suite 1200  
Lansing, MI 48933  
Office Phone 517-482-3500  
Cell 517-290-8629  
Fax 517-482-4367  
Email [larryplee@gongwer.com](mailto:larryplee@gongwer.com)

Either party may change its address where notices are to be sent by giving notice in accordance with this Section.

(b) Binding Commitments - RESERVED



**2.297 Media Releases and Contract Distribution****(a) Media Releases**

Neither Contractor nor the State will make any news releases, public announcements or public disclosures, nor will they have any conversations with representatives of the news media, pertaining to the specifics of this Contract without the prior written approval of the other party, and then only in accordance with explicit written instructions provided by that party. In addition, neither Contractor nor the State will use the name, trademarks or other proprietary identifying symbol of the other party or its affiliates without such party's prior written consent. Prior written consent of the Contractor must be obtained from authorized representatives.

**(b) Contract Distribution**

Purchasing Operations shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

**2.298 Reformation and Severability**

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

**2.299 Consents and Approvals**

Except as expressly provided otherwise in the Contract, if either party requires the consent or approval of the other party for the taking of any action under the Contract, such consent or approval shall be in writing and shall not be unreasonably withheld or delayed.

**2.300 No Waiver of Default**

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

**2.301 Survival**

Any provisions of the Contract that impose continuing obligations on the parties including the parties' respective warranty, indemnity and confidentiality obligations, shall survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section.

**2.302 Covenant of Good Faith**

Each party agrees that, in its dealings with the other party or in connection with the Contract, it shall act reasonably and in good faith. Unless stated otherwise in the Contract, the parties will not unreasonably delay, condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under the Contract.

**2.303 Permits - RESERVED****2.304 Website Incorporation**

State expressly states that it will not be bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of such content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representation of the State.

**2.305 Taxes**

Vendors are expected to collect and pay all applicable federal, state, and local employment taxes, including the taxes defined in Section 3.022 for all persons involved in the resulting Contract.

**2.306 Prevailing Wage - RESERVED**

**2.307 Call Center Disclosure**

Contractor and/or all subcontractors involved in the performance of this Contract providing call or contact center services to the State must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information shall be a material breach of this Contract.

All calls made to Gongwer News Service through this Contract will be received in Lansing, Michigan.

**2.308 Future Bidding Preclusion**

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future RFP, it may be precluded from bidding on the subsequent RFP. The State reserves the right to disqualify any bidder if the State determines that the bidder has used its position (whether as an incumbent Contractor, or as a Contractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a leading edge on the competitive RFP.

2.310 Reserved2.320 Extended Purchasing**2.321 MiDEAL**

Public Act 431 of 1984 permits DMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at: <http://www.michigan.gov/doingbusiness/0,1607,7-146-6586-16656--,00.html>. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and equipment at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the local unit of government on a direct and individual basis.

To the extent that authorized local units of government purchase quantities of Services and/or equipment under this Contract, the quantities of Services and/or equipment purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

**2.322 State Employee Purchases**

The State allows State employees to purchase from this Contract. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the State employee is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and Deliverables at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the State employee on a direct and individual basis.

To the extent that authorized State employees purchase quantities of Services and/or Deliverables under this Contract, the quantities of Services and/or Deliverables purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

2.330 Federal Grant Requirements - RESERVED



Exhibit A, B, C, & D - RESERVED